



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of One 60-12 kV Power Transformer, B-2805 (\$392,288.66)

MEETING DATE: October 15, 1997

SUBMITTED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution awarding the bid for the purchase of one 60-12 kV power transformer to the bidder whose proposal and equipment met the City of Lodi's specifications, and whose transformer is expected to yield the lowest overall life-cycle cost, Pennsylvania Transformer Technology, Inc. of Canonsburg, PA, in the amount of \$392,288.66.

BACKGROUND: On August 20, 1997, the City Council approved specifications and authorized advertisement for bids for this unit.

On September 26, 1997, bids were opened and the total life-cycle costs were evaluated. Life-cycle costs are the combined total of the purchase price plus the cost of operation based on estimated power losses during the projected life of the power transformer less \$1000 per year for warranty in excess of the required one year minimum. The proposals are also evaluated on the basis of compliance with equipment and bid specifications. Failure to comply with both may lead to disqualification of the bid. A summary of the bid evaluation is attached.

This transformer will be installed as part of the current expansion project at Industrial Substation on East Thurman Street. This substation was designed with a capacity for ultimately three power transformers with the first transformer installed when the substation was placed in service in 1993. As a result of the significant industrial growth experienced within the service area of this station this last year and the fact that additional industrial growth is being planned and designed at this time, the second transformer is now required to provide electric service to the area in the event of a failure of transformer #1 or some of the components associated with this transformer bank. Load transfers to other substations will not be adequate to eliminate the deficiency in the event of a failure. The transformer would be required to serve the load in the area under normal conditions within three years, based on current load growth.

The estimated cost of this purchase was \$450,000 with delivery expected in 45 weeks.

FUNDING: Included in the Department's 1997-98 fiscal year financial plan, page E-19.


Alan N. Vallow
Electric Utility Director

Funding Approval:

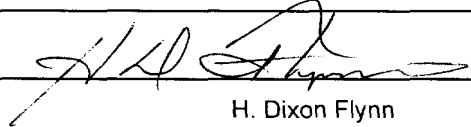

Vicky McAthie, Finance Director

Prepared by: Hans Hansen, Manager, Engineering and Operations

Attachment

ANV/HH/pn

c: City Attorney
Purchasing Officer


H. Dixon Flynn
City Manager

60-12 kV Power Transformer Bid Evaluation (B-2805)

SUPPLIER	PRICE INCL. TAX \$	NO LOAD LOSS VALUE \$	LOAD LOSS VALUE \$	COST OF LOSSES \$	WARRANTY CREDIT \$	LIFE- CYCLE COST \$	DELIVERY WEEKS
Pennsylvania Transformer Technology, Inc. Canonsburg, PA	392,288.66	69,000	134,400	203,400	2,000	593,688.66	32-36
Delta Star, Inc. Belmont, CA	408,446.85	88,200	111,400	199,600	4,000	604,046.85	22-26
Ferranti-Packard Transformers Ltd. St. Catharines Ontario Canada	388,977.50	96,000	130,400	226,400	0	615,377.50	32-34
G.E. Supply Sacramento, CA	471,621.75	78,000	158,000	236,000	0	707,621.75	26
Waukesha Electric Systems Waukesha, WI	528,736.79	81,000	110,800	191,800	4,000	716,536.79	53
Geo. E. Honn Co, Inc. (Siemens) Vacaville, CA	562,455.00	108,000	128,000	236,000	0	798,455.00	48
ABB Power T&D Company, Inc., Muncie, IN	551,141.25	121,800	149,000	270,800	0	821,941.25	34

RESOLUTION NO. 97-171

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR ONE 60-12KV POWER TRANSFORMER

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WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on September 26, 1997 at 11:00 p.m. for One 60-12kV Power Transformer, described in the specifications therefore approved by the City Council on August 20, 1997 and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as shown on the attached marked Exhibit A.

WHEREAS, the City Manager recommends awarding the bid for One 60-12kV Power Transformer to the bidder whose proposal and equipment met the City of Lodi's specifications, and whose transformer is expected to yield the lowest overall lifecycle cost, Pennsylvania Transformer Technology, Inc. of Canonsburg, PA; and

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for One 60-12kV Power Transformer be and the same is hereby awarded to the bidder whose proposal and equipment met the City of Lodi's specifications, and whose transformer is expected to yield the lowest overall lifecycle cost, Pennsylvania Transformer Technology, Inc. of Canonsburg, PA, in the amount of \$392,288.66.

Dated: October 15, 1997

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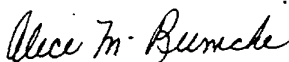
I hereby certify that Resolution No. 97-171 was passed and adopted by the City Council of the City of Lodi in a regular meeting held October 15, 1997, by the following vote:

AYES: COUNCIL MEMBERS – Land, Mann, Sieglock, Warner and Pennino
(Mayor)

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None


ALICE M. REIMCHE
City Clerk

60-12 kV Power Transformer Bid Evaluation (B-2805)

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EXHIBIT A